

**GOVERNMENT OF INDIA
ROAD TRANSPORT AND HIGHWAYS
LOK SABHA**

STARRED QUESTION NO:495
ANSWERED ON:27.08.2001
ECO-FRIENDLY VEHICLES ON NATIONAL HIGHWAYS
UMMAREDDY VENKATESWARLU

Will the Minister of ROAD TRANSPORT AND HIGHWAYS be pleased to state:

- (a) whether any proposal is under consideration to encourage eco-friendly vehicles on the National Highways;
- (b) if so, whether the Government propose to take up with vehicle manufacturers to design and produce the environment friendly vehicles;
- (c) if so, the steps taken by the Government in this direction;
- (d) if not, the impediments in implementation of such a proposal;
- (e) whether any financial incentives have been offered to vehicle manufacturers; and
- (f) if so, the details thereof?

Answer

MINISTER OF STATE FOR ROAD TRANSPORT AND HIGHWAYS (INDEPENDENT CHARGE) (MAJOR GEN.(RETD) KHANDURI, AVSM)

(a) to (f): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PART (a) TO (f) OF THE LOK SABHA STARRED QUESTION NO. 495 FOR ANSWERED ON 27TH AUGUST, 2001 ASKED BY PROF. UMMAREDDY VENKATESWARLU REGARDING ECO-FRIENDLY VEHICLES ON NATIONAL HIGHWAYS

Encouraging the use of eco-friendly fuels for motor vehicles as a part of Govt. policy is a continuous ongoing process. Use of eco-friendly fuels like Compressed Natural Gas (CNG), Liquefied Petroleum Gas (LPG), Electric Battery etc. as an automotive fuel is now permitted for vehicles plying on Indian roads. Incentive in the form of concessional customs duty of 5% has been provided for kits required for conversion of petrol and diesel driven vehicles into CNG and LPG mode. The customs duty on Liquefied Natural Gas (LNG) and excise duty on CNG have also been kept at lower than conventional levels. A pilot project involving a grant of Rupees one lakh per vehicle has been sanctioned for demonstration and evaluation of 200 number of battery powered 3-wheelers. Extensive testing is being carried out on 40 numbers of battery operated passenger cars. Financial assistance to the extent of 50% of basic cost of vehicle is being provided to buyers indigenously manufactured ten seater and bigger capacity passenger vehicles powered by batteries. Use of fuel cell system for running a vehicle is also under demonstration. Three pilot projects for commercial use of alcohol have been commissioned in States of Maharashtra and Uttar Pradesh.